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MANSFIELD - The federal government should update how it defines a rural community, extend tax deductions for the construction of farm buildings and provide direct loans to small businesses looking for capital for start-ups or expansions.

Those were just some of the ideas discussed by a group of lawmakers, government workers, academics and residents Tuesday afternoon during a community forum on economic development and job creation at the Rutgers EcoComplex on Columbus Road.

The four-hour forum was sponsored by the U.S. Department of Agriculture as part of a White House directive to solicit ideas from community members in all 50 states about how the country can spur job creation and economic development.

One of the most discussed items was the fight by lawmakers and officials to get the federal government to amend its definition of "rural" to allow more New Jersey communities to qualify for programs reserved for agricultural areas.

New Jersey Agriculture Secretary Doug Fisher and other officials said the current definition relies too closely on population and proximity to cities.

"It really doesn't help when you're the most densely populated state in the nation, but there are clearly rural areas in New Jersey that can use these programs but are missing out because of the definition," Fisher said.

The secretary also said the federal government should allow farmers to claim the construction of farm buildings as an expense deduction on their tax forms.

"It would create construction jobs and give farmers a greater opportunity to add buildings," he said.

U.S. Sen. Robert Menendez and Rep. John Adler addressed the need to assist the country's small businesses.

"Small business is the backbone of our nation's economy and right now that back has almost been broken," said Adler, D-3rd of Cherry Hill.

The federal government needs to push banks to provide loans or credit to small businesses for operations and expansions, as well as exempt small businesses from a federal law requiring them to take certain measures to guard from identity theft, he said.

Adler called the identity-theft mandate an unnecessary expense for dentists, accountants and other small businesses or firms that are unlikely to be targeted. He said he learned about the issue from constituents and has worked in Congress to delay the start of the mandate and to pass a bill exempting certain businesses.

"I learned about that issue from people coming to my office to complain about it," Adler said. "If you don't tell us what you need, you're not going to get it."

Menendez, who is a member of the Senate Banking Committee, said he supports President Obama's proposal to dedicate unused Wall Street bailout money for business tax cuts, but he stressed that those cuts must be structured in a way so that small businesses qualify.

He said he also has introduced legislation to allow the U.S. Small Business Administration to provide direct loans to small businesses as a way to loosen the nation's credit crunch. The SBA mostly guarantees loans given to certain small companies.

"Small businesses are the greatest generators of jobs and we need to focus on how we can create access to capital they need," Menendez said.

Howard Henderson, state director of the USDA Rural Development, said the ideas discussed at the forum would be included in a report that would be sent to the president and the U.S. secretary of agriculture.

Henderson said his office also planned to reach out to chambers of commerce and other groups throughout the state to get input.

"We need to continue this dialogue," he said. "There is still some growth potential in some industries and we really want to concentrate on them."